

# Welfare/Temporary Assistance to Needy Families (TANF)

*Reauthorize the safety net for families in need*



**“I came to [Goodwill] as a single mom with three kids, not knowing anything about responsibility and self-sufficiency. Goodwill taught me all that. I attended money control workshops where I learned to pay bills on time. I was able to become completely self-sufficient for the first time in my life.” -Sharon McGee**

## What is the Temporary Assistance to Needy Families (TANF) program?

TANF was created in 1996 by the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA), replacing the Aid to Families with Dependent Children (AFDC) program, which provided cash-assistance to poor families since 1935. AFDC was a grant program operated by the states to provide cash assistance to needy children of a parent who was absent from the home, deceased, disabled, or unemployed. One of the major changes included in the PRWORA, is that the states are now given block grants by the federal government to operate their own programs.

The 1996 law that created the TANF block grants initially authorized funding through the end of fiscal year 2002. After several extensions of the program, Congress reauthorized the TANF block grant in the Deficit Reduction Act (DRA) of 2005 and made some modifications to the program. TANF was authorized through the end of federal fiscal year 2010 (September 30, 2010). Prior to adjourning before the mid-term election, Congress passed a continuing resolution to continue the program until December 3, 2010. Since that time the program has been operating under a continuing resolution.

## Issues of Concern

The goal of TANF should be to provide work and self-sufficiency for people with employment challenges in good times while protecting America's poor during hard times. Unfortunately the recent recession provided an opportunity to show the TANF program's ineffectiveness during hard economic times. Furthermore, flaws within the structure of the program have been highlighted over the years as people with disabilities and other challenges to employment are being unfairly punished.

There are several barriers that prevent the current TANF program from a successful resource for people in need which need to be addressed during reauthorization including a focus on: funding, access barriers, work requirements, participation rates, and alignment with other services such as transportation, child care, domestic violence prevention, SNAP, etc.

## TANF and Goodwill Industries®

Since TANF was created in 1996, Goodwill Industries has provided more than 1.5 million TANF recipients with pre- and post-employment services, including skills training, job search assistance, job retention support, and other career programs tailored to their needs. Goodwill® career counselors seek to develop individualized career plans that aim to help people find jobs and move up the career ladder. Recognizing that it's not enough to just get a job, Goodwill agencies use a holistic “family strengthening” approach, and therefore provide or help provide access to a range of supportive services such as assistance with child care, transportation, and stable housing. The experience of our local agencies informs us that this strategy is very effective in helping people find a job, to remain attached to the labor force, and to advance in careers.

## The Solution

Based on the experience of its network of local agencies in communities nationwide, Goodwill Industries International has the following recommendations:

- Congress should consider strategies to increase access and reduce barriers especially for populations that have a history of unemployment rates higher than the national average.
- Congress should consider extending the 60-month lifetime limit to some of these harder-to-employ populations or waive the lifetime limit during emergency circumstances.
- Congress should maintain provisions that allow participation in post-secondary education to count as training.
- Congress should support nonprofit innovation and capacity building which would allow more nonprofits to provide job training and employment services to the TANF population thereby supplementing federal funds.

## Action Requested

TANF needs to be reauthorized and reformed in a timely fashion. The last time that TANF was up for reauthorization it took several years and numerous extensions. While the storm of the recession is reportedly over, the era of rebuilding is just beginning. The reauthorization of TANF provides Congress with a great opportunity to ensure that the TANF program is as effective as possible to assist those vulnerable Americans who rely on these supports.

The TANF program needs to continue to be a safety net for families in need during good and bad economic times. When an individual has reached a point in time that public assistance is needed to provide for his family; clearly that individual is experiencing poor financial times regardless of the economy.

## About Goodwill

Goodwill generates opportunities for people to achieve economic stability and build strong families and vibrant communities by offering job training, employment placement services and other community-based programs for people who have disabilities, lack education or job experience, or face employment challenges. In 2010, approximately 170,000 people in the United States and Canada obtained meaningful employment as a result of Goodwill career services programs. Collectively, these employees earned \$2.7 billion in salaries and wages and contributed to their communities as productive, tax-paying citizens.

**For more information, contact the Goodwill Industries International public policy team:**

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